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File 11038
Under contract

29 October 1968

MEMORANDUM FOR: Chief, Logistics Branch/SSD/TSSG/NPIC

SUBJECT : Excessive Delay in the Negotiation of a Contract
With [] for the Design
of a Site Preparation for the []

25X1
25X1

1. The purpose of this memorandum is to direct attention to a delayed lead time in negotiating a contract with [] for the design of the [] Site Preparation in []

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2. A chronological sequence of events is as follows:

(a) 8 July 1968

NPIC received concept drawings and a construction cost estimate from []

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(b) 11 July 1968

Logistics Branch requested from PPBS, NPIC's fan account number for funding the site preparation. [] from PPBS, requested more information on the cost estimate which was given to him. [] was told we could not go forward with the design phase until we received authority to spend the money.

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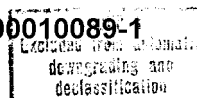
(c) 12 July 1968

[] told Logistics Branch to draft a memorandum for the DDI and DDS concurrence and approval.

(d) 23 July 1968

A rough draft directed to the Chief, LSD/OL, through DDI and DDS requesting authorization to accomplish necessary alterations, was forwarded to the Chief, TSSG's office for editing, prior to final typing.

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(e) 13 August 1968

A final memorandum directed to the Director of Logistics, through the DDI and DDS left NPIC. This memorandum signed by the Director of NPIC, requested that authorization be granted and a work request issued to GSA to accomplish alterations and modifications necessary to prepare the site. In addition, in paragraph one of this memorandum, it specifically stated that work should be completed by 15 August 1969, to meet the scheduled installation date for the equipment.

(f) 21 August 1968

The memorandum of 13 August 1968, requesting authorization to prepare the site, was concurred by [] Deputy Director of Intelligence.

(g) 4 September 1968

The memorandum of 13 August 1968, requesting approval for the site preparation, was approved by [] for the Deputy Director for Support. A footnote appended to NPIC's return copy, stated that request for the site preparation was approved with the understanding that;

1. The work request for GSA should be issued only after preliminary drawings and specifications have been reviewed by RECD/OL, and the Design and Construction Division, Region 3, GSA.

2. That drawings and specifications mentioned in this memorandum (paragraph three) are actually preliminary and not final.

(h) 5 September 1968

The Logistics Branch received a copy of a solicited proposal to prepare working drawings for the [] from the firm of []. In this proposal, a fee of [] was established for the design phase, with the fee proposal subject to negotiations and change if not accepted within thirty days after 5 September 1968.

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(i) 23 September 1968

A memorandum to the Chief, RECD/OL, from the Executive Officer, TSSG, requested RECD/OL to concur and engage [] [] to prepare drawings for the [] site.

(j) 15 October 1968

A courtesy copy of a memorandum addressed to the Chief, LSD/OL, from the Chief, RECD/OL, was received in the Logistics Branch, NPIC. This memorandum approved the concept drawings referred in the footnote of the memorandum of 13 August 1968. Further, it stated that this office (RECD/OL) has no objection to the selection of [] as the designer, and had informally received the concurrence of GSA in this selection. Further, it stated a letter forwarding the work order to GSA should cite the reasons for the use of [] as the designers of the site. In addition, an attachment to this memorandum contained a scope of work (paragraph four) to wit; the construction contract should provide for the completion of all contract work prior to 19 August 1969. In connection with this requirement, a CPM network should be specified targeting site completion on that date.

(k) 21 October 1968

The Chief, BSS/SSD/TSSG, visited [] in Langley this date to ascertain the status of negotiations of this contract between GSA and []. He was told by [] that the memorandum cited in paragraph (i), had been received in LSD and action was being taken in the offices of Logistics Services Division.

(l) 25 October 1968

The Chief, BSS/SSD/TSSG, queried [] as to the status of the contract and was informed that [] of DDS office, required further justification from RECD/OL, and that he had hand carried such information to [] on that day.

(m) 25 October 1968

Memorandum to GSA typed in [] office and sent to the Chief, LSD/OL.

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(n) 28 October 1968

Memorandum sent to Chief, LSD, to the Director of Logistics for his signature.

3. An analysis of the chronological order of events cited in paragraph two above, shows that it has taken 3 1/2 months to move paper work from the Logistics Branch through all of the channels we are required to go through for a simple contract to be negotiated with an outside contractor. As you are aware through past experiences, the average time for a site preparation through GSA bidding and sources, is approximately one year. We have constantly maintained that this site must be prepared, readied to receive equipment by August 1969. Our logical conclusion, therefore, would be that we are a minimum of 2 1/2 months behind time in our site preparation necessary to receive the equipment in August 1969.

4. As a result of this undue delay in moving paper work throughout the various established channels in NPIC, CIA and GSA, we can expect a costly overrun in the [] contract. It is a well known fact that ninety per cent of the personnel of the [] is engaged solely in the design and the fabrication of the instrument in question. Their labor cost is [] per month which will have to be borne by NPIC for this 2 1/2 months delay in site preparation, because new technicians cannot be trained for this installation.

[]
Chief, Building Services Section
LB/SSD/TSSG/NPIC

Distribution:

Orig & 1 - Addressee

3 - LB

NPIC/TSSG/SSD/LB/[] (29 October 1968)

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